

PROPOSAL EVALUATION

Proposition 1E Integrated Regional Water Management (IRWM) Grant Program

Stormwater Flood Management Grant, Round 1, 2010-2011

Applicant	County of Orange	Amount Requested	\$15,677,100
------------------	------------------	-------------------------	--------------

Proposal Title	Haster Retarding Basin and Haster Pump Station	Total Proposal Cost	\$31,354,200
-----------------------	--	----------------------------	--------------

PROPOSAL SUMMARY

One project is included in the proposal: Haster Retarding Basin and Haster Pump Station. The Haster Retarding Basin and Pump Station project is of regional significance and as part of the East Garden Grove-Wintersburg Channel system which extends 11.5 miles from the ocean to Anaheim. This project is proposed to reduce flooding in Garden Grove, Orange County, by improving Haster basin to reduce overtopping during flood events. The project includes enhanced flood water storage, a new pump station, increased channel capacity downstream, and improved instrumentation.

PROPOSAL SCORE

Criteria	Score/ Max. Possible	Criteria	Score/ Max. Possible
Work Plan	15/15	Economic Analysis – Flood Damage Reduction and Water Supply Benefits	9/12
Budget	3/5		
Schedule	5/5	Water Quality and Other Expected Benefits	3/12
Monitoring, Assessment, and Performance Measures	3/5	Program Preferences	6/10
Total Score (max. possible = 64)			44

EVALUATION SUMMARY

Work Plan

The criterion is fully addressed and supported by thorough and well-presented documentation and logical rationale. The Work Plan contains an introduction that includes the goals and objectives of the proposal and their relationship to the adopted IRWM Plan. In addition, the introduction contains a tabulated overview of the proposed project, which includes an abstract and project status. Also, included is a regional map showing the relative project location and a brief discussion of the project's synergies and linkages. Additionally, the introduction contains information on the projects' maps and timing and phasing. In the Work Plan tasks section, each proposed task is of adequate detail and completeness so that it is clear that the project can be implemented. The proposed project includes quarterly, annual, and final reports among others as work item submittals. In addition, the Work Plan includes a list of permits and their status

including California Environmental Quality Act (CEQA) compliance when applicable. Furthermore, the submitted plans and specifications are consistent with the design tasks included in the Work Plan. Similarly, the submitted scientific and technical information supports the feasibility of the proposed work items. Overall, the tasks collectively implement the Proposal and consist of a standalone project. The proposed Work Plan appears to be consistent with the area's Basin Plan.

Budget

The Budget in the Proposal has detailed cost information as described in Attachment 4, but not all costs appear reasonable or supporting documentation is lacking for a majority of the items shown in the Budget categories described in Exhibit B. The Budget provided in Attachment 4 is not fully consistent with the Preliminary Design Report (PDR), for examples: 1) The PDR has a construction cost estimate in 2008 dollars of \$22,342,000 compared to inflated estimate of \$25,917,000 for 2011 dollars. The application refers to the PDR and states that the construction cost estimate "in the PDR is escalated from 2008 to 2009 dollars, which results in a 2009 construction cost of \$27.3 million"; 2), it is unclear how the PDR's reported Construction Contingency is used in the cost estimate (since a Contingency is calculated for Budget Category (h); and 3), costs for construction of the Recreational Field element (and in-filling of a portion of the retention basin) were not found in the PDR or elsewhere. Additional issues include: 1) Attachment 4 does not include the work items (Tasks/Subtasks) that are included in the Work Plan and Schedule, and is thus inconsistent with both attachments (Att. 4 merely includes the major Budget Categories) with the Work Plan, Schedule, and the Budget; and 2), the Proposal Budget Category (e) indicates \$325,700 is for CEQA work (most dollars already expended); however, no supporting documentation is found.

Schedule

The Schedule is consistent and reasonable and demonstrates a readiness to begin construction or implementation of the Project no later than six months after anticipated award date (October 1, 2011). The applicant has presented a detailed and specific Schedule for the project that adequately documents the Proposal. Furthermore, all information requested in Attachment 5 is provided (including a Schedule that shows: Task start and end dates, project milestones, and a Schedule that is presented Gantt chart format).

Monitoring, Assessment, and Performance Measures

The criterion is less than fully addressed and documentation and rationales are incomplete or insufficient. For example, while the Proposal does include a Project Performance Measures Table in accordance with Attachment 6, the targets included are non-specific, or not quantifiable. Targets include "Improved Water Quality", "Increase Basin Storage Capacity", and "Ecosystem Restoration". These targets should be measurable, and quantifiable. Also, under the project goal of "water quality treatment", and the "improved water quality target", measurement tools and methods should be more detailed. Furthermore, although a project objective includes "Enhance local park appearance and function by providing recreational improvements, as well as updated exercise stations and park amenities", no means of measuring this aspect of the project's performance is provided. Project tracking of items such as the number of exercise stations and park amenities installed, or the area of new recreational field added should be measured and evaluated to determine if project objectives are met.

Economic Analysis – Flood Damage Reduction (FDR) and Water Supply Benefits

High levels of Flood Damage Reduction and Water Supply benefits can be realized through this proposal. However, the quality of the analysis is partially lacking and/or supporting documentation is partially unsubstantiated. Total net present value (NPV) of costs is \$25.419 million. FDR claimed benefits are \$378.828 million. This appears to be a solid analysis except that it appears expected annual damage (EAD) reduction is estimated by multiplying without-project event damages by the with-project percentage reduction in flooded area. The reduction in damages may not be proportionate to the reduction in flooded area. It appears that the applicant had the tools to do the with-project EAD correctly. The water supply benefits claimed are \$0.13 million NPV.

Economic Analysis – Water Quality (WQ) and Other Expected Benefits

Only low levels of Water Quality and Other benefits can be realized through this proposal, as demonstrated by the analysis and supporting documentation. Water Quality and Other expected benefits are not monetized. Claimed benefits are “significant ecosystem restoration” for about 1 acre converted to native plants. The project is designed to maintain existing water quality benefits. WQ benefits are discussed in separate attachments. However, the documentation does not suggest any WQ improvements relative to existing conditions. Recreation benefits related to new play surfaces should be discussed.

Program Preferences

The Proposal claims to implement the following Program Preferences: Include Regional Projects or Programs and Practice Integrated Flood Management. However, the Proposal demonstrates a limited degree of certainty that the Program Preferences claimed can be achieved, and lacks thorough documentation for the breadth and magnitude of the Program Preferences to be implemented.